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**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR
 Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED
 FUND, LLC,
 Debtor.

Chapter 11

**Jointly Administered Under
 Case No. BK-S-06-10725 LBR**

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

**MONTHLY OPERATING REPORT
 FOR NOVEMBER 2006
 (AFFECTS USA CAPITAL REALTY
 ADVISORS, LLC)**

In re:
 USA SECURITIES, LLC,
 Debtor.

Affects:

- ☐ All Debtors
- ☐ USA Commercial Mortgage Company
- ☒ USA Capital Realty Advisors, LLC
- ☐ USA Capital Diversified Trust Deed Fund, LLC
- ☐ USA Capital First Trust Deed Fund, LLC
- ☐ USA Securities, LLC

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

In re: USA Capital Realty Advisors, LLC

Case No. 06-10726-LBR

**CHAPTER 11
MONTHLY OPERATING REPORT
(GENERAL BUSINESS CASE)**

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: 11/30/06PETITION DATE: 04/13/06

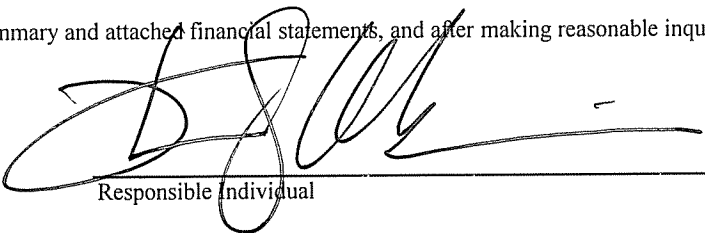
1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor).
Dollars reported in \$1

	End of Current Month	End of Prior Month	As of April 13, 2006
2. Asset and Liability Structure			
a. Current Assets	\$1,669,610	\$1,465,318	
b. Total Assets	\$1,767,642	\$1,563,350	\$1,272,125
c. Current Liabilities	\$549,296	\$343,154	
d. Total Liabilities	\$670,970	\$464,828	\$125,224
			Cumulative (Case to Date)
3. Statement of Cash Receipts & Disbursements for Month	Current Month	Prior Month	
a. Total Receipts	\$162,824	\$458,217	\$1,239,923
b. Total Disbursements	\$1,750	\$461,467	\$1,047,357
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	\$161,074	(\$3,250)	\$192,566
d. Cash Balance Beginning of Month	\$154,198	\$157,448	\$122,706
e. Cash Balance End of Month (c + d)	\$315,272	\$154,198	\$315,272
			Cumulative (Case to Date)
4. Profit/(Loss) from the Statement of Operations	Current Month	Prior Month	
	(\$1,850)	(\$8,078)	(\$50,695)
5. Account Receivables (Pre and Post Petition)	\$1,354,338	\$1,311,120	
6. Post-Petition Liabilities	\$549,296	\$343,154	
7. Past Due Post-Petition Account Payables (over 30 days)	\$480	\$0	

At the end of this reporting month:

- | | <u>Yes</u> | <u>No</u> |
|--|-----------------------------|-----------------------------|
| 8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee) | <u> </u> | <u>X</u> |
| 9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee) | <u> </u> | <u>X</u> |
| 10. If the answer is yes to 8 or 9, were all such payments approved by the court? | <u> </u> | <u> </u> |
| 11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee) | <u> </u> | <u>X</u> |
| 12. Is the estate insured for replacement cost of assets and for general liability? | <u> </u> | <u>X</u> |
| 13. Are a plan and disclosure statement on file? | <u>X</u> | <u> </u> |
| 14. Was there any post-petition borrowing during this reporting period? | <u> </u> | <u>X</u> |
| 15. Check if paid: Post-petition taxes <u>N/A</u> ; U.S. Trustee Quarterly Fees <u>X</u> ; Check if filing is current for: Post-petition tax reporting and tax returns: <u>N/A</u> .
(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.) | | |

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 12/20/06

 Responsible Individual

STATEMENT OF OPERATIONS

(General Business Case)

For the Month Ended 11/30/06

Current Month				Cumulative (Case to Date)	Next Month Forecast
Actual	Forecast	Variance			
\$206,042		\$206,042	Revenues:		
		\$0	1 Gross Sales	\$1,559,051	
\$206,042	\$0	\$206,042	2 less: Sales Returns & Allowances		
\$0		\$0	3 Net Sales	\$1,559,051	\$0
\$206,042	\$0	\$206,042	4 less: Cost of Goods Sold (Schedule 'B')		
		\$0	5 Gross Profit	\$1,559,051	\$0
		\$0	6 Interest		
		\$0	7 Other Income:		
		\$0	8		
		\$0	9		
\$206,042	\$0	\$206,042	10 Total Revenues	\$1,559,051	\$0
		\$0	Expenses:		
		\$0	11 Compensation to Owner(s)/Officer(s)		
		\$0	12 Salaries		
		\$0	13 Commissions		
		\$0	14 Contract Labor		
		\$0	Rent/Lease:		
		\$0	15 Personal Property		
		\$0	16 Real Property		
		\$0	17 Insurance		
\$206,042		(\$206,042)	18 Management Fees	\$1,559,070	
		\$0	19 Depreciation		
		\$0	Taxes:		
		\$0	20 Employer Payroll Taxes		
		\$0	21 Real Property Taxes		
		\$0	22 Other Taxes		
		\$0	23 Other Selling	\$1,177	
\$1,850		(\$1,850)	24 Other Administrative	\$27,222	
		\$0	25 Interest		
		\$0	26 Other Expenses:		
		\$0	27		
		\$0	28		
		\$0	29		
		\$0	30		
		\$0	31		
		\$0	32		
		\$0	33		
		\$0	34		
\$207,892	\$0	(\$207,892)	35 Total Expenses	\$1,587,469	\$0
(\$1,850)	\$0	(\$1,850)	36 Subtotal	(\$28,418)	\$0
		\$0	Reorganization Items:		
		\$0	37 Professional Fees	(\$17,027)	
		\$0	38 Provisions for Rejected Executory Contracts		
		\$0	39 Interest Earned on Accumulated Cash from Resulting Chp 11 Case		
		\$0	40 Gain or (Loss) from Sale of Equipment		
		\$0	41 U.S. Trustee Quarterly Fees	(\$5,250)	
		\$0	42		
\$0	\$0	\$0	43 Total Reorganization Items	(\$22,277)	\$0
(\$1,850)	\$0	\$0	44 Net Profit (Loss) Before Federal & State Taxes	(\$50,695)	\$0
		\$0	45 Federal & State Income Taxes		
(\$1,850)	\$0	\$0	46 Net Profit (Loss)	(\$50,695)	\$0

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

BALANCE SHEET
(General Business Case)

For the Month Ended 11/30/06

Assets**From Schedules****Market Value¹****Current Assets**

1	Cash and cash equivalents - unrestricted		<u>\$315,272</u>
2	Cash and cash equivalents - restricted		
3	Accounts receivable (net)	A	<u>\$1,354,338</u>
4	Inventory	B	<u>\$0</u>
5	Prepaid expenses		
6	Professional retainers		
7	Other: _____		
8	_____		
9	Total Current Assets		<u><u>\$1,669,610</u></u>

Property and Equipment (Market Value)

10	Real property	C	<u>\$0</u>
11	Machinery and equipment	D	<u>\$0</u>
12	Furniture and fixtures	D	<u>\$0</u>
13	Office equipment	D	<u>\$0</u>
14	Leasehold improvements	D	<u>\$0</u>
15	Vehicles	D	<u>\$0</u>
16	Other: _____	D	
17	_____	D	
18	_____	D	
19	_____	D	
20	_____	D	
21	Total Property and Equipment		<u><u>\$0</u></u>

Other Assets

22	Loans to shareholders		
23	Loans to affiliates		
24	Investments		<u>\$98,032</u>
25	_____		
26	_____		
27	_____		
28	Total Other Assets		<u><u>\$98,032</u></u>
29	Total Assets		<u><u>\$1,767,642</u></u>

NOTE:

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

1 - The method used to estimate the market value of assets was net book value at the end of the current reporting period as market value has not been determined.

Liabilities and Equity
(General Business Case)

Liabilities From Schedules

Post-Petition

Current Liabilities

30	Salaries and wages		
31	Payroll taxes		
32	Real and personal property taxes		
33	Income taxes		
34	Sales taxes		
35	Notes payable (short term)		
36	Accounts payable (trade)	A	\$580
37	Real property lease arrearage		
38	Personal property lease arrearage		\$17,026
39	Accrued professional fees		
40	Current portion of long-term post-petition debt (due within 12 months)		\$531,690
41	Other: <u>Management fees</u>		
42			
43			
44	Total Current Liabilities		\$549,296

Long-Term Post-Petition Debt, Net of Current Portion

45			
46	Total Post-Petition Liabilities		\$549,296

Pre-Petition Liabilities (allowed amount)¹

47	Secured claims ¹	F	\$0
48	Priority unsecured claims ¹	F	\$0
49	General unsecured claims ¹	F	\$121,674
50	Total Pre-Petition Liabilities		\$121,674
51	Total Liabilities		\$670,970

Equity (Deficit)

52	Retained Earnings/(Deficit) at time of filing		\$1,147,367
53	Capital Stock		
54	Additional paid-in capital		
55	Cumulative profit/(loss) since filing of case		(\$50,695)
56	Post-petition contributions/(distributions) or (draws)		
57			
58	Market value adjustment		
59	Total Equity (Deficit)		\$1,096,672
60	Total Liabilities and Equity (Deficit)		\$1,767,642

NOTE:

1 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court. The pre-petition liabilities' amounts above reflect the claimed amounts filed on Schedules.

SCHEDULES TO THE BALANCE SHEET
(General Business Case)

Schedule A

Accounts Receivable and (Net) Payable

Receivables and Payables Agings	Accounts Receivable [Pre and Post Petition]	Accounts Payable [Post Petition]	Past Due Post Petition Debt
0 -30 Days	\$206,042	\$100	
31-60 Days	\$81,412	\$480	
61-90 Days	\$81,412		\$480
91+ Days	\$985,472		
Total accounts receivable/payable	\$1,354,338	\$580	
Allowance for doubtful accounts			
Accounts receivable (net)	\$1,354,338		

Schedule B

Inventory/Cost of Goods Sold

Types and Amount of Inventory(ies)	Inventory(ies) Balance at End of Month	Cost of Goods Sold	
		Inventory Beginning of Month	
		Add -	
Retail/Restaurants -		Net purchase	
Product for resale		Direct labor	
		Manufacturing overhead	
Distribution -		Freight in	
Products for resale		Other:	
Manufacturer -			
Raw Materials		Less -	
Work-in-progress		Inventory End of Month	
Finished goods		Shrinkage	
Other - Explain		Personal Use	
		Cost of Goods Sold	\$0
TOTAL	\$0		

Method of Inventory Control

Do you have a functioning perpetual inventory system?

Yes _____ No _____

How often do you take a complete physical inventory?

Weekly _____
Monthly _____
Quarterly _____
Semi-annually _____
Annually _____

Date of last physical inventory was _____

Date of next physical inventory is _____

Inventory Valuation Methods

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost _____
LIFO cost _____
Lower of cost or market _____
Retail method _____
Other _____
Explain _____

Schedule C
Real Property

Description	<u>Cost</u>	<u>Market Value</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0

Schedule D
Other Depreciable Assets

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0
Furniture & Fixtures -		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0
Office Equipment -		
_____	_____	_____
_____	_____	_____
Total	\$0	\$0
Leasehold Improvements -		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0
Vehicles -		
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total	\$0	\$0

Schedule E
Aging of Post-Petition Taxes
(As of End of the Current Reporting Period)

Taxes Payable	<u>0-30 Days</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>91+ Days</u>	<u>Total</u>
Federal					\$0
Income Tax Withholding					\$0
FICA - Employee					\$0
FICA - Employer					\$0
Unemployment (FUTA)					\$0
Income					\$0
Other (Attach List)					\$0
Total Federal Taxes	\$0	\$0	\$0	\$0	\$0
State and Local					\$0
Income Tax Withholding					\$0
Unemployment (UT)					\$0
Disability Insurance (DI)					\$0
Empl. Training Tax (ETT)					\$0
Sales					\$0
Excise					\$0
Real property					\$0
Personal property					\$0
Income					\$0
Other (Attach List)					\$0
Total State & Local Taxes	\$0	\$0	\$0	\$0	\$0
Total Taxes	\$0	\$0	\$0	\$0	\$0

Schedule F
Pre-Petition Liabilities

<u>List Total Claims For Each Classification -</u>	<u>Claimed¹</u> <u>Amount</u>	<u>Allowed²</u> <u>Amount (b)</u>
Secured claims (a)		
Priority claims other than taxes		
Priority tax claims		
General unsecured claims	\$121,674	

(a) List total amount of claims even if under secured.

(b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

Schedule G
Rental Income Information
Not applicable to General Business Cases

Schedule H
Recapitulation of Funds Held at End of Month

	<u>Account 1</u>	<u>Account 2</u>	<u>Account 3</u>	<u>Account 4</u>
Bank	Bank of America			
Account Type	Analyzed Checking			
Account No.	3755532422			
Account Purpose	General			
Balance, End of Month	\$315,272			
Total Funds on Hand for all Accounts	\$315,272			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

NOTES:

- 1 - Claimed Amounts reflects amounts filed on schedules and is subject to change as proof of claims are filed and further pre-petition invoices are identified.
- 2 - Allowed Amounts have not yet been determined and are contingent upon approval from the Bankruptcy Court.

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**Increase/(Decrease) in Cash and Cash Equivalents****For the Month Ended 11/30/06**

		Actual Current Month	Cumulative (Case to Date)
Cash Receipts			
1	Rent/Leases Collected		
2	Cash Received from Sales		
3	Interest Received		
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7	Management Fees Received from USA Diversified Trust Deed Fund, LLC		\$818,423
8	Management Fees Received from USA First Trust Deed Fund, LLC	\$162,824	\$371,781
9	Return of Investment		\$49,719
10			
11			
12	Total Cash Receipts	\$162,824	\$1,239,923
Cash Disbursements			
13	Payments for Inventory		
14	Selling		
15	Administrative	\$1,750	\$14,727
16	Capital Expenditures		
17	Principal Payments on Debt		
18	Interest Paid		
	Rent/Lease:		
19	Personal Property		
20	Real Property		
	Amount Paid to Owner(s)/Officer(s)		
21	Salaries		
22	Draws		
23	Commissions/Royalties		
24	Expense Reimbursements		
25	Other		
26	Salaries/Commissions (less employee withholding)		\$1,027,380
27	Management Fees		
	Taxes:		
28	Employee Withholding		
29	Employer Payroll Taxes		
30	Real Property Taxes		
31	Other Taxes		
32	Other Cash Outflows:		
33	U.S. Trustee Quarterly Fees		\$5,250
34			
35			
36			
37			
38	Total Cash Disbursements:	\$1,750	\$1,047,357
39	Net Increase (Decrease) in Cash	\$161,074	\$192,566
40	Cash Balance, Beginning of Period	\$154,198	\$122,706
41	Cash Balance, End of Period	\$315,272	\$315,272

STATEMENT OF CASH FLOWS
 (Optional) Increase/(Decrease) in Cash and Cash Equivalents
 For the Month Ended 11/30/06

	<u>Actual</u> <u>Current Month</u>	<u>Cumulative</u> <u>(Case to Date)</u>
Cash Flows From Operating Activities		
1 Cash Received from Sales		
2 Rent/Leases Collected		
3 Interest Received		
4 Cash Paid to Suppliers		
5 Cash Paid for Selling Expenses		
6 Cash Paid for Administrative Expenses	\$1,750	\$14,727
Cash Paid for Rents/Leases:		
7 Personal Property		
8 Real Property		
9 Cash Paid for Interest		
10 Cash Paid for Net Payroll and Benefits		
Cash Paid to Owner(s)/Officer(s)		
11 Salaries		
12 Draws		
13 Commissions/Royalties		
14 Expense Reimbursements		
15 Other		
Cash Paid for Taxes Paid/Deposited to Tax Acct.		
16 Employer Payroll Tax		
17 Employee Withholdings		
18 Real Property Taxes		
19 Other Taxes		
20 Cash Paid for General Expenses		(\$818,423)
21 Management Fees Received from USA Diversified Trust Deed Fund, LLC		(\$371,781)
22 Management Fees Received from USA First Trust Deed Fund, LLC	(\$162,824)	\$1,027,380
23 Management Fees Paid to USA Commercial Mortgage Company		(\$49,719)
24 Return of Investment		
25		
26		
27 Net Cash Provided (Used) by Operating Activities before Reorganization Items	\$161,074	\$197,816
Cash Flows From Reorganization Items		
28 Interest Received on Cash Accumulated Due to Chp 11 Case		
29 Professional Fees Paid for Services in Connection with Chp 11 Case		\$5,250
30 U.S. Trustee Quarterly Fees		
31		
32 Net Cash Provided (Used) by Reorganization Items	\$0	(\$5,250)
33 Net Cash Provided (Used) for Operating Activities and Reorganization Items	\$161,074	\$192,566
Cash Flows From Investing Activities		
34 Capital Expenditures		
35 Proceeds from Sales of Capital Goods due to Chp 11 Case		
36		
37 Net Cash Provided (Used) by Investing Activities	\$0	\$0
Cash Flows From Financing Activities		
38 Net Borrowings (Except Insiders)		
39 Net Borrowings from Shareholders, Partners, or Other Insiders		
40 Capital Contributions		
41 Principal Payments		
42		
43 Net Cash Provided (Used) by Financing Activities	\$0	\$0
44 Net Increase (Decrease) in Cash and Cash Equivalents	\$161,074	\$192,566
45 Cash and Cash Equivalents at Beginning of Month	\$154,198	\$122,706
46 Cash and Cash Equivalents at End of Month	\$315,272	\$315,272